

HB 482 -- TAX REFORM

SPONSOR: Barnes

This bill modifies provisions relating to taxation. The bill:

(1) Eliminates certain tax credits by creating an ending date to authorize and issue the credits. The following credits cannot be authorized or issued after December 31, 2015: neighborhood assistance tax credit issued under Section 32.110, RSMo, business use incentives for large-scale development under Section 100.850, senior citizen property tax credit under Sections 135.010 to 135.035, youth opportunities tax credit under Section 135.460, film production credit under Section 135.750, and brownfield redevelopment program tax credit issued under Section 447.708;

(2) Modifies the low-income housing tax credit issued under Section 135.352 so that the total amount of tax credits awarded for projects financed with a tax exempt bond issuance will be reduced beginning in the 2017 fiscal year in equal reductions over 10 years until the total amount of tax credits authorized is \$30 million. The total amount of tax credits awarded for projects not financed with a tax exempt bond issuance will be reduced beginning in the 2017 fiscal year in equal reductions over 10 years until the total amount of tax credits authorized is \$105 million;

(3) Reduces the overall cap from \$140 million to \$120 million on the historic preservation tax credit issued under Section 253.550 beginning with the 2017 fiscal year by reducing the amount of credit authorized in equal reductions over 10 years and the total amount of credits issued under Section 253.559 is capped at \$20 million;

(4) Eliminates the Missouri quality jobs credit issued under Sections 620.1875 to 620.1890 in equal reductions over 10 years;

(5) Reduces the top tax rate of the Missouri individual income tax in Section 143.011 based on the Department of Revenue's calculation of the amount of additional tax revenue resulting from this act, rounded to the nearest tenth of a percent so as to produce a revenue neutral effect;

(6) Eliminates the state and local sales tax exemptions on December 31, 2015, for computer printouts, computer-assisted photo compositions, reusable containers used in connection with sale of tangible personal property, non-reusable items purchased by a hotel, Internet access, rental of films, records, sounds, or pictures for public commercial display, event tickets that benefit a non-profit, admission charges to fairs, sales at penal

institutions, computers, computer software, and computer security systems for architecture, engineering and accounting firms, tickets for national championship games, purchases by a sports complex authority, food stamp purchases, purchases from state senator or representative expense account, modular homes, court reporter goods and services, defense contract purchases, county, city, town, and village purchase, munitions sold to a foreign government, purchases by the Department of Transportation, coin-operated amusement devices and parts, state fair entries, and gambling boat entry fees;

(7) Reimposes the state sales tax on food under Section 144.014; and

(8) Eliminates the Show-Me Green Sales Tax Holiday in Section 144.526.